

A BRIEF SUMMARY OF THE RESULTS1. O/Logistics Reproduction Plant

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a. In general the [REDACTED] appears to be well administered and the morale of the employees is good. Personnel problems created by the lack of cafeteria facilities have been partially resolved by the installation of an enlarged snack bar where modest lunches are supplied. Another personnel problem stems from the three different pay systems now in effect. These are Wage Board, General Printing Office and Wage Classification Act. An attempt is being made to simplify the pay structure by consolidating as many positions as possible under the GPO system.

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b. A long-range problem concerns the merger of the functions of the GPO unit in the basement of Administration Building with those of the [REDACTED]. There is insufficient space at [REDACTED] to accommodate the printing machinery and equipment and room for expansion is very limited. Plans for the physical merger are being held in abeyance pending decisions on the new CIA building.

c. Meeting the requirements of the Clandestine Services still presents certain difficulties. This is particularly true in the PP field when unique items are required which are beyond the immediate capabilities of the plant to produce. One-time items requiring special machinery are difficult to justify. This problem was identified in the IC survey of O/Logistics made more than a year ago and still remains troublesome today.

2. O/Logistics

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a. Many improvements have been made in the Warehouse during recent months. The storage system has been reorganized and the efficiency with which stocks are being maintained and the general cleanliness and neatness of the Warehouse are very impressive. In accordance with recommendations made in the IC survey in 1955, improvements have been made including the installation of labor saving devices and the relocation of machinery and work areas to promote efficiency; better utilization of overtime has been worked out; and an improved method of storage limitation devised.

3. Audit Staff

a. The Audit Staff is having difficulty in recruiting and retaining an adequate number of competent personnel. Vacancies now stand at ten per cent of total strength in professional positions. The problem is made more acute by the requirement of overseas service as a qualification for promotion which has resulted in the loss of some personnel to other Government departments.

b. Better accounting practices are being developed in the field and simplified systems are being introduced which will give better results with less time and effort. Some of the deficiencies still uncorrected in the field are:

- (1) Too many individuals having direct access to office cash;
- (2) Too much money being made available to many people for too long periods;
- (3) Too many chiefs of station failing to exercise adequate administrative and fiscal supervision over case officers; and
- (4) Certification of funds expended without proper receipts is too freely used.

4. Medical Staff

a. Interviews with Medical Staff personnel were limited to the problems of the Psychiatric Division. A rash of individual cases having psychopathic implications prompted this inquiry. Psychiatric Division is faced with the difficult task of trying to evaluate the mental stability of employees and to predict their behavior under the stress and pressure of work in a security agency. Intelligence work tends to create an abnormal way of life and it is the job of the psychiatrists to identify those individuals who may not be able to make the necessary adjustments.

b. Problems arise when the opinions of the psychiatrists conflict with the personnel assignment plans of Operating Officials particularly in matters of overseas rotation. The Division has already been in conflict with DG/P components on several occasions when medical "holds" for psychiatric reasons have been imposed on individuals being prepared for overseas tours. The Division's "batting average" cannot be determined but it should be noted that there have been several cases in which its adverse opinions have been supported by subsequent events.

5. Office of the Comptroller

a. Inquiry made into the distribution of fiscal personnel throughout the Agency disclosed that approximately [redacted] of a total of [redacted] are assigned to DG/P components in headquarters and overseas. Of these about [redacted] are in headquarters components. There appears to be a disproportionate number of people assigned to headquarters components particularly when the Comptrollers Office is readily available for normal services.

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b. The recruiting and retaining of competent personnel is a perennial problem. It is particularly acute in the secretarial and

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clerical categories. The relatively higher pay schedules and more "glamorous" activities of operating components contribute to the general dissatisfaction of many individuals bound to dull, uninteresting routines.

c. A more detailed discussion was held on the subject of certification of expenditures in the field and the degree of control that should be exercised by the Comptrollers Office. There appears to exist an overly-suspicious attitude on the part of fiscal officers toward field personnel who handle Agency funds which can be and sometimes is interpreted as a lack of faith in the integrity and honesty of chiefs of stations. This creates an unnecessarily difficult atmosphere in which to conduct the Agency's operations. Improvements in this situation are not immediately in view.

6. ORR, Economic Research Area

a. Conditions in the Map Library, Washington Auditorium, were found to be distinctly above average. Morale is high in spite of some adverse working conditions caused by the physical deficiencies of the old building. Maximum efforts have been made to improve these conditions but some deficiencies will remain because they are inherent in the building itself. This is considered to be a very satisfactory activity.

b. Serious management problems were found in the Agricultural Branch of the Materials Division which were having an adverse effect on the production and morale of its personnel. Additional investigation of this condition will be conducted and the results prepared in a separate report.

7. O/Basic Intelligence

a. This recently formed component has not yet been inspected formally by the IO Staff as a separate unit. However, its activities were examined in 1954 when it was still a division of ORR. It has a

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b. The NIS program is completing its ninth year. Coverage of the Sino-Soviet Bloc is complete and similar coverage is essentially complete for Western Europe, and the Near and Far East. Africa has the least coverage but is being given a higher priority.

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8. OSI, Nuclear Energy Division

a. Major improvements have been made in the administration, supervision and production of this Division. There are no longer jurisdictional conflicts with other components of OSI and with IAC members and JAEC is now being well handled under the chairmanship of the AD/SI.

b. The relatively new Guided Missiles Division is having difficulties. The Guided Missiles Intelligence Committee, under the chairmanship of the Air Force, is ineffectual in such matters as developing objectives, coordination of community effort, and in the preparation of draft estimates in the guided missiles field. The committee is too restricted in that its charter is limited to systems and associated equipment which does not permit participation in the preparation of NIE's. Thus, the Division is being hampered in its efforts to produce sound intelligence on the whole guided missiles field. The Director's responsibility for coordination of national intelligence can be accomplished better when the IAC subcommittee is chaired by someone directly under his supervision.

9. The Office of Security

a. This Office was found to be conducting its affairs with its usual competence and efficiency. The counter-audio program is receiving priority treatment and substantial progress is being made. A complete inventory of all properties occupied or used by the Agency is being prepared in terms of sensitivity of the installation, accessibility and vulnerability to surveillance. This will be used to establish priorities and frequency of inspection.

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b. The Security Research Staff was found to be deeply engrossed in the [redacted] case. A very thorough examination is being made to determine the extent to which the Agency or any of its employees may be involved.

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c. Security personnel overseas now total [redacted] are in Europe and [redacted] in the Far East. These totals will probably be increased to accommodate the rising demands for counter-audio protection.

d. O/Security tends to discount reports of unfavorable reaction to Building T-13. This is where the polygraph testing unit is housed. There are indications that the building number is associated with the activity in a manner which attaches to it an unsavory reputation. Security officers believe that this reputation has no noticeable adverse effect on Agency personnel required to submit to tests but are willing to assign the building a different identity if desirable. In fact, within O/Security it is known as "Arkansas." Any change of designation would have to be made unofficially since the building is registered by GSA as Tempo 13. An attempt to make a change officially would be time consuming and probably unsuccessful.

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